



# UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE  
United States Patent and Trademark Office  
Address: COMMISSIONER FOR PATENTS  
P.O. Box 1450  
Alexandria, Virginia 22313-1450  
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/711,124	11/10/2000	Murali Ramaswami	05250.00002	6436
28977	7590	06/03/2004		
MORGAN, LEWIS & BOCKIUS LLP 1701 MARKET STREET PHILADELPHIA, PA 19103-2921			EXAMINER BEACH, THOMAS A	
			ART UNIT	PAPER NUMBER

3671

DATE MAILED: 06/03/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

# Office Action Summary

Application No.

09/711,124

Applicant(s)

RAMASWAMI ET AL.

Examiner

Thomas A Beach

Art Unit

3671

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --  
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

## Status

- 1) ☒ Responsive to communication(s) filed on amendment filed 03/08/04.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

## Disposition of Claims

- 4) ☒ Claim(s) 1-47 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-47 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

## Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

## Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
  - ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

## Attachment(s)

- |                                                                                                                        |                                                                                         |
|------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892)                                                       | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)                                   | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152)             |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)<br>Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____                                                |

## DETAILED ACTION

### *Claim Rejections - 35 USC § 103*

1. Claims 1-47 are rejected under 35 U.S.C. 103(a) as being unpatentable over in Ramaswami et al (The May List of the "Winners" and "losers" Using the Lehman Enhanced Momentum (LEM) Model for the S&P 500 and for the FTSE Europe, dated May 13, 1999 - pages 2-8) view of O'Shaughnessy 6,484,151. Ramaswami shows claims 1-6 and 13-18 are shown by a method of creating a portfolio including determining winners and losers from a group of stocks by applying a filter 9Page 2, LEM Model) the passes low-volume winners and high-volume losers and storing the remaining winners and losers as the portfolio. Ramaswami fails to show using a computer or a processor to compile and analyze the stock data into an output or show the processor to output the command to create portfolio. However, O'Shaughnessy shows a similar computer processor utilized to compile stock data from an exchange in order to be processed into output that creates a portfolio using a computer/processor. Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify Ramaswami, as taught by O'Shaughnessy, to perform the known portfolio analysis techniques using a computer for real time updating and cost effective transaction, monitoring and execution.

Ramaswami shows the group of stocks (traded on an exchange; claims 25 and 28) are from the NYSE, S&P 500, TOPIX, MSCI, MSCI World Basket (claims 2-7 and 14-18). Ramaswami also shows claims 7-10 and 19-20, the method of trading a

Art Unit: 3671

portfolio (traded on an exchange; claim 26 and 29) with low volume winners and high volume losers by holding the low-volume winners long and holding the low-volume winners for six months (claims 8 and 20) and rebalancing the portfolio at the end of six months (claims 9 and 21) or three months (claims 10 and 22).

Ramaswami shows claims 11-12 and 23-24, the method of trading a portfolio (traded on an exchange; claim 27 and 30) with low volume winners and high volume losers by holding the low-volume winners short and holding the low-volume winners for six months (claim 8) and rebalancing the portfolio at the end of three months (claim 10).

Ramaswami shows claims 31-33 and 13-18, the method of creating a portfolio including determining winners and losers from a group of stocks (traded on an exchange; claim 36) by applying a filter that passes low-volume winners and high-volume losers; storing the remaining winners and losers as the portfolio; and holding the high-volume losers short. Ramaswami holds a high-volume loser short and the portfolio only includes low-volume winners and high-volume losers (claim 37-40). Shows the winners and losers are determined with a momentum life cycle (claim 41) and the low volume winners and high-volume losers are determined with a volume/turnover filter (claim 42-47).

### ***Response to Arguments***

2. Applicant's arguments filed 03/08/04 have been fully considered but are moot in view of the new grounds of rejection above.

**Conclusion**

3. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Thomas A Beach whose telephone number is 703.305.4848. The examiner can normally be reached on Monday-Thursday, 8:00am-6:30pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Thomas Will can be reached on 703.308.3870. The fax phone numbers for the organization where this application or proceeding is assigned are 703.872.9306 or 703.872.9306 for regular communications and 703.872.9306 for After Final communications.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 703.306.4198.

Thomas A. Beach

June 1, 2004

  
Thomas B. Will  
Supervisory Patent Examiner  
Group 3600